

November 20, 2019

SD D.O.T – Railroad Division
700 E. Broadway Ave, Rm 253
Pierre, SD 57501

Subject: P 000S(00)326 - Proposal to Purchase State RR Lines - PCN - 07K2
316/324 E. Boulevard, Rapid City, SD 57701
Adjacent SDDOT Railroad Property

We understand the State of South Dakota (State) is accepting proposals to purchase railroad right of way owned by the State for all lines that were acquired as a part of the Milwaukee Road Embargo in 1980.

OM Properties is completing this proposal in the interest of purchasing a portion of railroad right of way located adjacent to our parcel along East Blvd. in Rapid City.

The proposed area of purchase is identified in the attached exhibit. We are proposing to purchase property to within 10' of the north edge of the Maple Ave. Storage Yard track. This identified area is excess property and per Section 3.11 of the IFP, "the Department reserves the right to exclude any excess property from the sale of the Lines at any time prior to execution of a Line purchase agreement." The extra right of way will not impact the current or future function of the storage yard. The purchase limits identified are consistent with existing leases to the east.

To fulfill the requirements of the IFP Process identified in the *South Dakota Department of Transportation – Invitation for Proposals to Purchase State-Owned Rail Lines* dated August 26, 2019, we offer the following information:

3.1 Proposer Information

Lead Contact Information: Scott O'Meara
Manager – OM Properties, LLC
3215 Frontier Place
Rapid City, SD 57702
scottomeara@yahoo.com

History and Background Information:

OM Properties is a SD Limited Liability Corporation formed in 2014 for the purchase of the buildings/property located at 316 and 324 E. Blvd.

Leadership Personnel: Scott O’Meara
Tom O’Meara
Michael O’Meara

Parental or guarantor relationships: N/A - Acknowledged

Prior Bankruptcies: N/A - Acknowledged

Proposer Fines or Assessments: N/A - Acknowledged

Business Goals associated with right of way purchase: The ability to add parking and pave drive aisles.

3.2 Lines to be Purchased

We are proposing to purchase property (Approx. 13,000 sq. ft.) to within 10’ of the north edge of the Maple Ave. Storage Yard (part of the Mitchell to Rapid City Rail Line).

3.3 Purchase Price

The proposed purchase price would be \$52,000 paid in one lump sum in accordance with the limits identified above in Section 3.2.

3.4 Service Protections

N/A - Acknowledged

3.5 Trackage Rights, Haulage Rights, and Interchange Rights

N/A - Acknowledged

3.6 Current Grant Commitments

N/A - Acknowledged

3.7 Future Grant Commitments

N/A - Acknowledged

3.8 Loan Commitments

N/A - Acknowledged

3.9 Other Financial Commitments

N/A – OM Properties, LLC is not proposing the purchase of any lines.

3.10 Lease and Sub-lease Agreements

OM Properties understands sale is subject to applicable operating leases and subleases.

3.11 Permits, Licenses, Excess Property Leases, and other Land Use Agreements

N/A - Acknowledged

3.12 Approval of Sale

N/A - Acknowledged

3.13 Environmental Liabilities

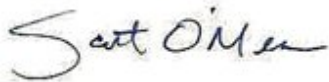
OM Properties, LLC understands the purchase will be in “as is” condition.

3.14 Conditions of Sale

OM Properties, LLC acknowledges the Conditions of Sale identified in Section 4.

We strive to continue the positive relationship currently held with the SDDOT Railroad Division regarding this parcel. We continue to maintain the area by removing trash and controlling the weeds adjacent to the building. Please review and contact me if you have any questions or comments.

Sincerely,
OM Properties, LLC

A handwritten signature in black ink that reads "Scott O'Meara". The signature is written in a cursive style with a large initial 'S'.

Scott O'Meara

Attachment: RR ROW Exhibit – 316/324 E, Blvd.



Roads

- Interstate
- US highway
- SD highway
- County highway
- Main road
- Minor arterial
- Collector
- Ramp
- Paved road
- Unpaved road
- Unimproved road
- Trail
- Airport Runway
- Not yet coded

Section Lines 0-25k

Tax Parcels

Lot Lines

- <Null>
- Lot Line
- Parcel Line

1:438



Map Notes:

This map is a user generated static output from an Internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.
 THIS MAP IS NOT TO BE USED FOR NAVIGATION

73.0 0 36.49 73.0 Feet